

**IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA**

KENTEX ASIA LIMITED,

Plaintiff,

v.

ATT SOUTHERN INC.,

Defendant.

:
:
:
:
:
:
:
:
:
:
:
:
:

CIVIL ACTION NO.

JURY TRIAL DEMANDED

VERIFIED COMPLAINT

Plaintiff, Kentex Asia Limited (“Kentex”) files this Complaint against Defendant, ATT Southern Inc., dba Southern Patio (“ATT”) for breach of contract, quantum meruit and unjust enrichment, and alleges as follows:

NATURE OF ACTION

1. This dispute arises from ATT’s failure to pay Kentex for goods ordered and purchased in the amount of \$830,750.01.
2. Kentex seeks a judgment against ATT for the full amount of the goods ordered and purchased, compensatory damages, as well as other damages the Court deems just and proper.

PARTIES, JURISDICTION AND VENUE

3. Kentex is a British Virgin Island Corporation with a principal place of business located at Room 101, 1/F, Tak Fung Building, 79-81 Connaught Road West, Hong Kong.

4. Upon information and belief, Defendant ATT is a Delaware corporation located at Corporation Trust Center, 1209 Orange Street, Wilmington, DE, 19801. ATT's principal place of business is located at 330 Marietta Street, #3, Atlanta, Georgia, 30313.

5. Upon information and belief, Defendant ATT is registered to conduct business in Pennsylvania as a foreign corporation and has an office located at 465 Railroad Road Avenue, Camp Hill, Pennsylvania, 17011.

6. The Court has subject-matter jurisdiction over this action under 28 U.S.C. § 1332 because diversity of citizenship exists between Kentex and the Defendant, and the amount of controversy exceeds \$75,000.

7. Venue is appropriate in this District under 28 U.S.C. § 1391 because the Defendant is located in the District and conducts business in this District.

FACTUAL BACKGROUND

8. In 2014 and 2015, ATT and Kentex engaged in a series of interrelated verbal and written negotiations resulting in Purchase Orders whereby ATT agreed to purchase from Kentex various types of custom made planters in exchange for consideration of \$830,750.01. A sample copy of the purchase orders is attached

hereto as Exhibit A. A summary of the purchase orders is attached hereto as Exhibit B.

9. Pursuant to the Purchase Orders, Kentex arranged for \$830,750.01 worth of planters to be custom made by a supplier selected by Kentex, and Kentex was to ship those planters directly to third party warehouses as directed by ATT.

10. Kentex ordered \$830,750.01 worth of planters to be custom made by its supplier, Dongguan Sunland Technology Co., Ltd. ("Sunland").

11. Sunland made the custom made planters in accordance with ATT's instructions and specifications.

12. Pursuant to the purchase orders, from April 2015 to August 2015, Kentex shipped over \$728,824.32 worth of planters to third party warehouses as directed by ATT, including but not limited to COSTCO, Lowe's, and the Home Depot.

13. All the planters shipped by Kentex were of good quality and were made in accordance with ATT's instructions and specifications.

14. All of the planters shipped by Kentex passed the quality inspection by Bureau Veritas Shenzhen Co., Ltd, an examination agency agreed to by the parties.

15. Kentex has fully performed its contract obligations under those purchase orders.

16. Despite continued demands by Kentex for payment of the contract price or return of the goods delivered, ATT has failed to pay Kentex for the delivered planters.

17. ATT has failed to provide any valid reasons for such non-payment.

18. To prevent further damages, Kentex has withheld delivery for the \$101,925.69 worth of planters due to non-payment by ATT.

19. Because the planters were custom made for ATT, Kentex has not been able to mitigate its damages by selling the non-delivered planters.

20. Because ATT has failed to make timely payment, Kentex has sustained additional financial damages, including the loss of its good will and business reputation.

21. ATT has no valid excuses for their failure to make timely payments.

22. Kentex is entitled to the full payment of the purchase price and be paid all other compensatory damages as well as any other damages this Court views just and proper.

COUNT I
BREACH OF CONTRACT

23. Kentex incorporates by reference all allegations in the preceding paragraphs of this Complaint.

24. A valid, binding contract exists between the parties pursuant to which Kentex supplied ATT \$728,824.32 worth of planters as well as ordered

\$101,925.69 worth of planters in consideration of full payment in the amount of \$830,750.01.

25. Kentex performed all of its obligations under the parties' contract, including but not limited to arranging for production of the planters and shipment of the planters.

26. Defendant ATT breached the contracts because it failed to make timely payment to Kentex and continues to refuse to make payment after repeated demand.

27. To prevent further damages, Kentex properly withheld further delivery due to the non-payment of ATT.

28. As a direct result of Defendant's breach of contract, Kentex has sustained damage in an amount greater than \$830,750.01.

WHEREFORE, Kentex prays for judgment against the Defendant as follows:

- a. For general and compensatory damages in excess of \$830,750.01;
- b. For all pre-judgment interest, post judgment interest, plus any other costs or interests allowed by law; and
- c. For such other relief as to the court shall deem appropriate.

COUNT II
QUANTUM MERUIT
(PLEADED IN THE ALTERNATIVE)

29. Kentex incorporates by reference all allegations in the preceding paragraphs of this Complaint.

30. Kentex sent Defendant the planters it ordered and incurred great cost to order and ship those planters.

31. Defendant promised to make payment to Kentex upon receiving the planters.

32. Kentex has repeatedly requested full payment, or as an alternative, for ATT to return all the planters it received.

33. Defendant has refused, and continue to refuse, to make payment to Kentex.

34. Defendant has received benefits from Kentex in the form of the planters it received.

35. It would be unjust to allow Defendant to retain the planters received when they have failed to make any payment.

36. As a direct and proximate result of Defendant's failure to make timely payment, Kentex suffered significant monetary damages.

WHEREFORE, Kentex prays for judgment against the Defendant as follows:

- a. For general and compensatory damages in excess of \$830,750.01;
- b. For all pre-judgment interest, post judgment interest, plus any other costs or interests allowed by law; and
- c. For such other relief as to the court shall deem appropriate.

COUNT III
UNJUST ENRICHMENT
(PLEADED IN THE ALTERNATIVE)

37. Kentex incorporates by reference all allegations in the preceding paragraphs of this Complaint.

38. Defendant ATT have received benefits from Kentex in the form of its acceptance of planters in the amount of \$728,824,32.

39. It would be unjust to allow ATT to retain the planters when they have failed to make payment to Kentex.

40. As a direct and proximate result of ATT to make timely payment, Kentex suffered significant monetary damages.

WHEREFORE, Kentex prays for judgment against the Defendant as follows:

- a. For general and compensatory damages in excess of \$728,824.32;
- b. For all pre-judgment interest, post judgment interest, plus any other costs or interests allowed by law; and
- c. For such other relief as to the court shall deem appropriate.

DUANE MORRIS LLP

/s/ Yuanyou (Sunny) Yang

Ryan E. Borneman (203540)

reborneman@duanemorris.com

30 South 17th Street

Philadelphia, PA 19103-4196

Telephone: 215.979.1000

Fax: 215. 979.1020

Yuanyou (Sunny) Yang (314882)

yyang@duanemorris.com

600 Grant Street, Suite 5010

Pittsburgh, PA 15219

Telephone: 412.497.1000

Fax: 412.497.1001

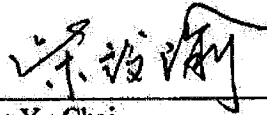
Dated: Feburary14, 2017

Attorneys for Plaintiff, Kentex Asia Limited

VERIFICATION

I, Jun Yu Chai, state that I am the owner and the legal representative of Kentex Asia Limited. I have read and know the contents of the foregoing Complaint and that the same is true and correct upon my personal knowledge or upon information and belief. I understand that statements herein are made subject to the penalties of 18 U.S. Code § 1621, relating to unsworn falsification to authorities.

Dated: January 31, 2017

A handwritten signature in black ink, appearing to be 'Jun Yu Chai' in Chinese characters, written over a horizontal line.

By: Jun Yu Chai